

# DOWNING & LINDNER

## TAXATION & BUSINESS SERVICES

### Introduction to PRIVATE ANCILLARY FUNDS (PAFS)



A PAF is a charitable trust that enables individuals, families or associations with a tax effective structure to invest for philanthropic purposes.



Downing & Lindner Accountants have first hand knowledge and experience in helping establish and operate PAFs so you can leave the paperwork to us while you focus on where you want to see the most impact from your donations.



Gifts are made into the PAF and are generally tax deductible when made. The funds are then managed and distributions are made to other deductible gift recipients in accordance with minimum distribution requirements.



#### WHY USE A PAF

- ✓ A tax effective way of giving
- ✓ Enable you to give now but decide who receive the benefits in the future
- ✓ Provide sustainable funds to charities that enable a greater impact long term
- ✓ Through sound investment can amplify the impact to charities
- ✓ Leave a legacy of giving for the next generation

## ANNUAL OBLIGATIONS WHICH WE ASSIST WITH

- ✓ Preparation of financial statements and annual audit
- ✓ Lodgement of tax return
- ✓ Responsible person requirements met
- ✓ Submission of Annual Information Statement to ACNC
- ✓ Updating investment strategy in conjunction with your trusted financial advisor
- ✓ Ensuring minimum distribution requirements are met



## FIRST STEPS

1

Complete onboarding paperwork with Downing & Lindner

2

Establish trustee company

3

Setup PAF deed and supporting documentation

4

Apply for approvals with ACNC and ATO

5

Make initial contribution

Please get in touch with Tristan Lindner from Downing & Lindner Accountants on 0431 253 988 or [tristan@dltdbs.com.au](mailto:tristan@dltdbs.com.au) so we can help you make a lasting impact in a tax effective way.

